

BROWN GAVALAS & FROMM LLP
Attorneys for Defendant
MACANDREWS & COMPANY LIMITED
355 Lexington Avenue
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(212) 983-8500

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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FEDERAL INSURANCE COMPANY,

Plaintiff,

07 Civ. 7797 (LTS)

-against-

ANSWER

M/V "SCI TEJ", M/V "AL MARIYAH", M/V
"CMA GGM SAMBHAR", their engines, tackle,
boilers, etc., MACANDREWS & COMPANY
LIMITED, MACANDREWS COMPANY
LIMITED,

Defendants.

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Defendant, MACANDREWS & COMPANY LIMITED (also incorrectly named herein as
MACANDREWS COMPANY LIMITED) (hereinafter referred to as "MacAndrews"), through
its attorneys, Brown Gavalas & Fromm LLP, answering the Complaint of plaintiff, alleges upon
information and belief as follows:

1. Admits that the Complaint alleges admiralty and maritime claims within the meaning of Rule 9(h) of the Federal Rules of Civil Procedure, and deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 1 of the Complaint.
2. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 2 of the Complaint.
3. Admits that MacAndrews is a foreign corporation, with a principal place of business in a foreign sovereign.

4. Denies the allegations of paragraph 4 of the Complaint.
5. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 5 of the Complaint.
6. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 6 of the Complaint.
7. Denies the allegations contained in paragraph 7 of the Complaint.
8. Denies the allegations contained in paragraph 8 of the Complaint.
9. Denies the allegations contained in paragraph 9 of the Complaint.
10. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint.

FIRST AFFIRMATIVE DEFENSE

11. The Complaint fails to state a cause of action or claim upon which relief can be granted against MacAndrews.

SECOND AFFIRMATIVE DEFENSE

12. Any non-delivery, shortage, loss or damage to the cargo, which is specifically denied, was due to causes for which MacAndrews is neither liable nor responsible by virtue of the provisions of the U.S. Carriage of Goods by Sea Act or applicable tariffs or general maritime law or terms of applicable bills of lading, charter party, special contracts, or dock receipts, including all terms incorporated therein by reference.

THIRD AFFIRMATIVE DEFENSE

13. Any loss or damage sustained, which is specifically denied, was solely caused by or contributed to by the default, neglect, acts or omissions, breach of express and implied warranties, breach of contract on the part of the shippers or the owners of the goods, plaintiff or other parties or entities for whom MacAndrews is neither responsible nor liable.

FOURTH AFFIRMATIVE DEFENSE

14. The shipment which is the subject of this suit was subject to all terms, conditions, and exceptions contained in certain bills of lading then and there issued, by which the shippers, cargo owners, consignees, subrogees or holders of said bills of lading agreed to be and are bound.

FIFTH AFFIRMATIVE DEFENSE

15. The maximum liability of MacAndrews, which is specifically denied, is limited to the sum of \$500 per package, or customary freight unit for goods not shipped in packages, pursuant to the U.S. Carriage of Goods by Sea Act.

SIXTH AFFIRMATIVE DEFENSE

16. If the shipment which is the subject of the Complaint was damaged, which is specifically denied, said damage was proximately caused by the inherent vice, insufficiency of packaging and/or inadequacy of marks of the subject cargo for which MacAndrews is not liable.

SEVENTH AFFIRMATIVE DEFENSE

17. This Answer is made without waiver of any right to arbitrate that may exist.

EIGHTH AFFIRMATIVE DEFENSE

18. The plaintiff is not the real party in interest, and this action is not commenced pursuant to the proper authority or subrogation.

NINTH AFFIRMATIVE DEFENSE

19. This case should be dismissed for improper venue on the basis of forum non conveniens or, in the alternative, transferred to a forum which is more convenient.

TENTH AFFIRMATIVE DEFENSE

20. Any loss or damage to the shipment, which is specifically denied, occurred when the goods were out of the care, custody or control of MacAndrews.

ELEVENTH AFFIRMATIVE DEFENSE

21. If plaintiff incurred damaged as alleged in the Complaint, which is specifically denied, then its injuries were caused by the negligence of individuals and/or business entities other than MacAndrews. Such other individuals and/or business entities are partly or wholly responsible for the occurrence resulting in any damage or injury to the plaintiff.

TWELFTH AFFIRMATIVE DEFENSE

22. Plaintiff has failed to take all reasonable steps to mitigate its damages.

THIRTEENTH AFFIRMATIVE DEFENSE

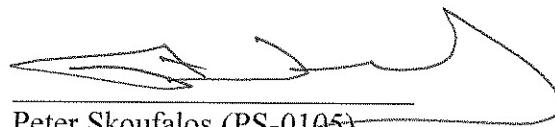
23. This case should be dismissed for lack of personal jurisdiction over MacAndrews.

WHEREFORE, defendant, MACANDREWS & COMPANY LIMITED prays that judgment be entered in favor of said defendant and against plaintiff, dismissing the complaint herein, together with the costs and disbursements of this action, including reasonable attorneys' fees; and for such other and further relief as the Court deems just and proper.

Dated: New York, New York
October 4, 2007

BROWN GAVALAS & FROMM LLP
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MACANDREWS & COMPANY LIMITED

By:


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